GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1239
ANSWERED ON:07.03.2008
UNIT LINKED INSURANCE PLAN
Rawat Shri Bachi Singh

Will the Minister of FINANCE be pleased to state:

(a) whether this Government has made it compulsory for the life insurance companies to give the policy holders of Unit Linked Insurance Plan (UL1P);

(b) if so, the details thereof;

(c) the steps boing taken by the Government/IRDA against insurance companies not complying with the mandatory orders of the Government; and

(d) the details of the amount collected by insurance companies through ULIP and made available for investment in various sectors?

Answer

The Minister of State in the Ministry of Finance (Shri Pawan Kumar Bansal)

(a) & (b): Yes, Sir. The Insurance Regulatory & Development Authority (IRDA) has reported that vide iis circular dated 01.01.2008, it has directed all insurance companies to provide policyhoiders the details of various charges deducted from the premium and the amount available for investment in each policy year at the time of purchasing the Unit Linked Insurance Plans.

(c): IRDA has reported that action would be taken against the insurance companies not complying with its instructions under Section 3 of the insurance Act, 1938.

(d) : The amount collected by the insurance companies through ULIP for the year 2006-07 is Rs. 55,038 crore and investment in various sectors of the ULIP Portfolio as on 31st March, 2007 is as under:

Investment made in various sectors	Amount (Rs. in crore)
Government Securities & Guaranteed Bonds	9,725.09
Infrastructure	3,685.10
Debenture s & Bonds	3,219.05
Equity	34,499.23
Others	17,774.16
Total	68,902.62